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10/627,646	07/28/2003	Steven M.H. Wallman	10392-460042	3617

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EXAMINER	
FU, HAO	

ART UNIT	PAPER NUMBER
3696	

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Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Office Action Summary	Application No.	Applicant(s)	
	10/627,646	WALLMAN, STEVEN M.H.	
	Examiner	Art Unit	
	HAO FU	3696	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE *3* MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

1)☒ Responsive to communication(s) filed on *28 October 2008*.

2a)☐ This action is **FINAL**. 2b)☒ This action is non-final.

3)☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

4)☒ Claim(s) *1-20* is/are pending in the application.

4a) Of the above claim(s) _____ is/are withdrawn from consideration.

5)☐ Claim(s) _____ is/are allowed.

6)☒ Claim(s) *1-20* is/are rejected.

7)☐ Claim(s) _____ is/are objected to.

8)☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

9)☐ The specification is objected to by the Examiner.

10)☐ The drawing(s) filed on _____ is/are: a)☐ accepted or b)☐ objected to by the Examiner.

Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).

Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).

11)☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

12)☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).

a)☐ All b)☐ Some * c)☐ None of:

1.☐ Certified copies of the priority documents have been received.

2.☐ Certified copies of the priority documents have been received in Application No. _____.

3.☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

1) ☒ Notice of References Cited (PTO-892)

2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)

3) ☒ Information Disclosure Statement(s) (PTO/SB/08) Paper No(s)/Mail Date *10/27/2008, 12/22/2008, and 12/23/2008*.

4) ☐ Interview Summary (PTO-413) Paper No(s)/Mail Date. _____ .

5) ☐ Notice of Informal Patent Application

6) ☐ Other: _____.

DETAILED ACTION

Response to Remarks

A telephonic interview was conducted on 11/28/2008, in which prior arts were discussed and no agreement was reached. According to the record, the applicant said to overcome Palm Beach Post and Jon Newberry references by filing 131 Affidavit, and possibly writing some dependent claims into independent claims. The examiner also pointed out during the interview that claims in US Patent No. 6,601,044 contain all the features of the present application. Thus, the present claims are subject to obvious type double patenting. It was discussed that a terminal disclaimer is needed to overcome the double patenting rejection. However, two months has passed, no follow up has been submitted by the applicant.

It seems the current application is an attempt to broadening the issued patent PAT 6,601,044, because all the features of the present claims are taught in the claims of the issued patent, and the independent claims of the present application are missing several key features of the issued patent. Furthermore, the independent claims of the present application are very similar to claim 20 of PAT 6,601,044, claim 1 of PAT 6,996,539, and claim 1 of 7,117,176. The examiner believes that the present claims as amended do not provide any additional coverage when compared to the issued patents. The examiner notices that the applicant has filed many applications describing essentially the same invention as the present application. At this point, it is required that the applicant must provide a complete list of these similar applications and file a terminal disclaimer accordingly.

In the remarks filed on 10/28/2008, the applicant argues that the prior arts do not teach "establishing an aggregate portfolio of investments from the first customer and from a plurality of other customers of the sponsoring organization, wherein said aggregating includes combining orders for investments from the customer and the plurality of other customers into a single order for each investment". As explained by the applicant, the claim language means that orders from different investors are aggregated into a single order for each investment asset for transmission to computer network (i.e. Exchanges) for executions. Under this definition, Ray et al. may not teach exactly the same feature. However, the examiner points out that such procedure has been done by brokers and brokerage firms for many decades. In fact, aggregating orders from plurality of customers into a single order for execution is precisely the main function of brokers and brokerage firms. To support his argument, the examiner supplies the Perham reference (John C Perham, Stock Exchange Explains Its Pay-As-You-Go Plan, Barron's national Business and Financial Weekly, Aug 24, 1953) and the Dibben reference (Margaret Dibben, Just let your fingers d' the dealing Cut-price services mean that calling your broker is no longer the preserve of the idle rich, The Guardian, Oct 23, 1994). It is evident in the Perham reference that the broker has been combining all the orders into one order for execution over the network (i.e. Exchanges) for each stock in the 1950s. Perham discloses "It (brokerage firm) then combines all the orders for that same stock and sends them to one broker for execution on the Exchange floor, as a round lot as possible; if not, as an odd lot. The ultimate aim is, combining the mites of investors from here and there, to give each of them the benefit of the lower

commission charge on round lots." It seems that Perham also anticipates the idea of combining economically unviable order for an investment. The prior art anticipates the idea of combining fractional shares, or economically unviable order, into an viable order by stating, "The fundamental idea is to boost trading volume, to the benefit of both member firms and the Exchange itself, by allowing a potential investor of small means to begin buying stock before he has accumulated, say, the entire $155 needed for one share of American Telephone & Telegraph. This would be done by pooling payments made periodically by several small investors". Given more than four decades of development, it should be apparent that the present claim feature would have been well known at the time of invention. The Dibben reference also teaches the same feature, and the prior art discloses that "broker aggregates your order with a number of others before activating your instructions". Pender also teaches combining economically unviable order for an investment (see page 2, "For small investors who still want to pick their own stocks, Merrill Lynch offers a "share builder account" that lets clients buy shares or fractional shares in increments as small as $25. 'We pool all money in share builder accounts and buy stocks the next morning,' said Merrill Lynch spokesman Jim Lynch). The examiner notes Merrill Lynch is a stock brokerage firm, and thus the prior art supports the argument that broker and brokerage firm can aggregate economically unviable trades). Furthermore, it seems that the Champion reference also teaches aggregating orders from different customers into a single transaction (see column 5, line 47-57).

Regarding to the feature of combining at least one economically unviable order for an investment, such as buying a single share of an investment vehicle, the examiner agrees that the Palm Beach Post reference is different from the present invention. However, the examiner maintains that the Newberry reference teaches this limitation. see page 1, “DRIPs offer the key advantage of molding an investment plan to an investor's own financial means and goals. He notes that DRIPs allow individuals to buy either full or fractional shares". It is apparent that single share can be bought, and in contrast to applicant’s statement, Newberry does not say that the single share must be purchase from the issuing company. Since single share can be purchase sedately, there is no reason why it cannot be aggregated with orders. Technically, the brokers and brokerage firms all have the technology of combining single shares (see the Perham reference, it is envisioned that single shares, and even fractional shares, can be aggregated for small investors). The fact that some brokers choose not to provide such service does not mean that the method and technology of doing such is not well known in the art.

The examiner finds the applicant’s argument regarding to claim 8, 12, 16, and 20 convincing. None of the prior art teaches or suggests maintaining an account to hold up to one share for fractional trading. These claims may be allowable if these dependent claims are rolled into independent claims and in the condition that all the double patenting and 101 issues are resolved.

Double Patenting

The nonstatutory double patenting rejection is based on a judicially created doctrine grounded in public policy (a policy reflected in the statute) so as to prevent the unjustified or improper timewise extension of the "right to exclude" granted by a patent and to prevent possible harassment by multiple assignees. A nonstatutory obviousness-type double patenting rejection is appropriate where the conflicting claims are not identical, but at least one examined application claim is not patentably distinct from the reference claim(s) because the examined application claim is either anticipated by, or would have been obvious over, the reference claim(s). See, e.g., *In re Berg*, 140 F.3d 1428, 46 USPQ2d 1226 (Fed. Cir. 1998); *In re Goodman*, 11 F.3d 1046, 29 USPQ2d 2010 (Fed. Cir. 1993); *In re Longi*, 759 F.2d 887, 225 USPQ 645 (Fed. Cir. 1985); *In re Van Ornum*, 686 F.2d 937, 214 USPQ 761 (CCPA 1982); *In re Vogel*, 422 F.2d 438, 164 USPQ 619 (CCPA 1970); and *In re Thorington*, 418 F.2d 528, 163 USPQ 644 (CCPA 1969).

A timely filed terminal disclaimer in compliance with 37 CFR 1.321(c) or 1.321(d) may be used to overcome an actual or provisional rejection based on a nonstatutory double patenting ground provided the conflicting application or patent either is shown to be commonly owned with this application, or claims an invention made as a result of activities undertaken within the scope of a joint research agreement.

Effective January 1, 1994, a registered attorney or agent of record may sign a terminal disclaimer. A terminal disclaimer signed by the assignee must fully comply with 37 CFR 3.73(b).

Claim 1–20 are rejected on the ground of nonstatutory obviousness-type double patenting as being unpatentable over claim 1-86 of U.S. Patent No. 6,601,044. Although the conflicting claims are not identical, they are not patentably distinct from each other. For example, claim 1 recites a method for managing an investment account for a customer associated with a sponsoring organization comprising the steps of:

interacting with the customer over a computer network to create a portfolio of investments that satisfy a plurality of restrictions on investment activity of the customer while meeting pre-defined investment needs of the customer (see claim 1 of PAT 6,601,044; especially part a and b);

establishing an aggregate portfolio of investments from the customer and from a plurality of other customers of the sponsoring organization (see claim 20 of PAT 6,601,044), wherein said aggregating includes combining orders for investments from the customer and the plurality of other customers into a single order for each investment (see claim 20 of PAT 6,601,044), including combining at least one economically unviable order for an investment (see claim 1 of PAT 6,601,044; especially part f); and

transmitting a portfolio of desired investments over the computer network for execution (see claim 26 of PAT 6,601,044).

All the features of the present claims are disclosed in the claims of US Patent No. 6,601,044.

Claim 1–20 are also rejected on the ground of nonstatutory obviousness-type double patenting as being unpatentable over claim 1-54 of U.S. Patent No. 7,117,176.

Although the conflicting claims are not identical, they are not patentably distinct from each other. For example, claim 1 recites a method for managing an investment account for a customer associated with a sponsoring organization comprising the steps of:

interacting with the customer over a computer network to create a portfolio of investments that satisfy a plurality of restrictions on investment activity of the customer while meeting pre-defined investment needs of the customer (see claim 1 of PAT 7,117,176);

establishing an aggregate portfolio of investments from the customer and from a plurality of other customers of the sponsoring organization (see claim 1 of PAT 7,117,176), wherein said aggregating includes combining orders for investments from the customer and the plurality of other customers into a single order for each investment (see claim 20 of PAT 6,601,044), including combining at least one economically unviable order for an investment (see claim 1 of PAT 7,117,176); and

transmitting a portfolio of desired investments over the computer network for execution (see claim 1 of PAT 7,117,176).

All the features of the present claims are disclosed in the claims of US Patent No. 7,117,176.

Claim 1–20 are also rejected on the ground of nonstatutory obviousness-type double patenting as being unpatentable over claim 1-37 of U.S. Patent No. 6,996,539. Although the conflicting claims are not identical, they are not patentably distinct from each other. For example, claim 1 recites a method for managing an investment account

for a customer associated with a sponsoring organization comprising the steps of:

interacting with the customer over a computer network to create a portfolio of investments that satisfy a plurality of restrictions on investment activity of the customer while meeting pre-defined investment needs of the customer (see claim 1 of PAT 6,996,539);

establishing an aggregate portfolio of investments from the customer and from a plurality of other customers of the sponsoring organization (see claim 1 of PAT 6,996,539), wherein said aggregating includes combining orders for investments from the customer and the plurality of other customers into a single order for each investment (see claim 20 of PAT 6,601,044), including combining at least one economically unviable order for an investment (see claim 1 of PAT 6,996,539); and

transmitting a portfolio of desired investments over the computer network for execution (see claim 1 of PAT 6,996,539).

All the features of the present claims are disclosed in the claims of US Patent No. 6,996,539.

Claim Rejection – USC 101

35 U.S.C. 101 reads as follows:

> Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

Claims 2, 3, 5, and 10-17 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter. Based on Supreme Court precedent a method claim must (1) be tied to another statutory class of invention (such

as a particular apparatus) or (2) transform underlying subject matter (such as an article or materials) to a different state or thing (see at least Diamond v. Diehr, 450 U.S. 175, 184 (1981); Parker v. Flook, 437 U.S. 584, 588 n.9 (1978); Gottschalk v. Benson, 409 U.S. 63, 70 (1972); Cochrane v. Deener, 94 U.S. 780, 787-88 (1876)). A method claim that fails to meet one of the above requirements is not in compliance with the statutory requirements of 35 U.S.C. 101 for patent eligible subject matter. Here claims 2, 3, 5, and 10-17 fail to meet the above requirements since there is not a sufficient tie to another statutory class.

Claim Rejection – USC 103

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

> (a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negatived by the manner in which the invention was made.

Claim 1-7 10-11, 14-15, 18-19 are rejected under 35 U.S.C. 103(a) as being unpatentable over US Patent No.: 5,126,936 to Champion et al., in view of Perham (John C Perham, Stock Exchange Explains Its Pay-As-You-Go Plan, Barron's national Business and Financial Weekly, Aug 24, 1953) and Dibben (Margaret Dibben, Just let your fingers d' the dealing Cut-price services mean that calling your broker is no longer the preserve of the idle rich, The Guardian, Oct 23, 1994), and further in view of Newberry (Jon Newberry, Bye bye broker, ABA Journal, Mar 1998, Vol. 84 pg. 90,

1pgs) and Pender (Kathleen Pender, Stock Trading, San Francisco Chronicle, Jun 23, 1986).

As per claim 1, Champion teaches a method for managing an investment account for a customer associated with a sponsoring organization comprising the steps of (see column 3, line 8-12):

interacting with the customer over a computer network (see Fig 2, “modem” and “computer” suggest that customers can be reached over a computer network) to create a portfolio of investments that satisfy a plurality of restrictions on investment activity of the customer while meeting pre-defined investment needs of the customer (see column 4, line 6-21, and line 31-46, also see column 5, line 40-52);

establishing an aggregate portfolio of investments from the first customer and from a plurality of other customers of the sponsoring organization, wherein said aggregating includes combining orders for investments from the customer and the plurality of other customers into a single order for each investment (see column 5, line 47-57).

transmitting a portfolio of desired investments over the computer network for execution (see column 5, line-8-15, and line 47-57).

Examiner notes however, Champion does not teach aggregating including combining at least one economically unviable order for an investment.

Perham teaches establishing an aggregate portfolio of investments from the first customer and from a plurality of other customers of the sponsoring organization, wherein said aggregating includes combining orders for investments from the customer and the plurality of other customers into a single order for each investment, including combining at least one economically unviable order for an investment (It is evident in the Perham reference that the broker has been combining all the orders into one order for execution over the network (i.e. Exchanges) for each stock in the 1950s. Perham discloses “It (brokerage firm) then combines all the orders for that same stock and sends them to one broker for execution on the Exchange floor, as a round lot as possible; if not, as an odd lot. The ultimate aim is, combining the mites of investors from here and there, to give each of them the benefit of the lower commission charge on round lots.” It seems that Perham also anticipates the idea of combining economically unviable order for an investment. The prior art anticipates the idea of combining fractional shares, or economically unviable order, into an viable order by stating, "The fundamental idea is to boost trading volume, to the benefit of both member firms and the Exchange itself, by allowing a potential investor of small means to begin buying stock before he has accumulated, say, the entire $155 needed for one share of American Telephone & Telegraph. This would be done by pooling payments made periodically by several small investors”. Given more than four decades of development,

it should be apparent that the present claim feature would have been well known at the time of invention).

Therefore, it would have been obvious to one of ordinary skill in the art at the time of invention to modify the reference to include establishing an aggregate portfolio of investments from the first customer and from a plurality of other customers of the sponsoring organization for the benefit of lowering commission charge on economically unviable trades and making these trades viable.

Newberry also teaches the feature of allowing customers to purchase economically unviable trade, such as a fractional shares (see page 1, "DRIPs offer the key advantage of molding an investment plan to an investor's own financial means and goals. He notes that DRIPs allow individuals to buy either full or fractional shares").

Pender also teaches combining economically unviable order for an investment (see page 2, "For small investors who still want to pick their own stocks, Merrill Lynch offers a "share builder account" that lets clients buy shares or fractional shares in increments as small as $25. 'We pool all money in share builder accounts and buy stocks the next morning,' said Merrill Lynch spokesman Jim Lynch; the examiner notes Merrill Lynch is a stock brokerage firm, and thus the prior art supports the argument that broker and brokerage firm can aggregate economically unviable trades).

It would have been obvious to one of ordinary skill in the art at the time of invention to modify the reference to include <u>combining at least one economically unviable order for an investment</u> for the benefit of molding an investment plan to an investor's own financial means and goals.

As per claim 2, Champion teaches a method for managing a plurality of investment accounts (see column 4, line 46-51, it is implied that there is a plurality of accounts), each of which is associated with a third party user (see column 4, line 66-67, it is implied that each account is associated with a third party user), comprising the steps of:

receiving data from the user regarding the plurality of investment accounts, the data defining the amount and types of investments to be included in each investment account (see column 4, line 56-65);

aggregating the plurality of investment accounts into a single portfolio of investments for the user (see column 4, line 46-51, aggregating a total level of risk for all customer accounts is analogous to aggregating plurality of accounts into a single portfolio then performing risk analysis);

establishing an aggregate portfolio of investments from the first customer and from a plurality of other customers of the sponsoring organization, <u>wherein said aggregating includes combining orders for investments from the customer and the plurality of other customers into a single order for each investment</u> (see column 5, line 47-57).

analyzing the single portfolio to determine a risk/reward characteristic of the single portfolio (see column 4, line 46-51).

Examiner notes however, Champion does not teach establishing an aggregate portfolio of investments from the third party user and from a plurality of other users, wherein said establishing an aggregate portfolio includes combining orders for investments from the third party user and the plurality of other users into a single order for each investment, including combining at least one economically unviable order for an investment.

Examiner notes however, Champion does not teach aggregating including combining at least one economically unviable order for an investment.

Perham teaches establishing an aggregate portfolio of investments from the first customer and from a plurality of other customers of the sponsoring organization, wherein said aggregating includes combining orders for investments from the customer and the plurality of other customers into a single order for each investment, including combining at least one economically unviable order for an investment (It is evident in the Perham reference that the broker has been combining all the orders into one order for execution over the network (i.e. Exchanges) for each stock in the 1950s. Perham discloses “It (brokerage firm) then combines all the orders for that same stock and sends them to one broker for execution on the Exchange floor, as a round lot as possible; if not, as an odd lot. The ultimate aim is, combining the mites of investors from here and there, to give each of them the benefit of the lower commission charge on round lots.” It seems that Perham also anticipates the idea of combining economically unviable order for an investment. The prior art anticipates the idea of combining fractional shares, or economically unviable order, into an viable order by stating, "The fundamental idea is to boost trading volume, to the benefit of both member firms and the Exchange itself, by allowing a potential investor of small means to begin buying stock before he has accumulated, say, the entire $155 needed for one share of American Telephone & Telegraph. This would be done by pooling payments made periodically by several small investors”. Given more than four decades of development, it should be apparent that the present claim feature would have been well known at the time of invention).

Therefore, it would have been obvious to one of ordinary skill in the art at the time of invention to modify the reference to include establishing an aggregate portfolio of investments from the first customer and from a plurality of other customers of the sponsoring organization for the benefit of lowering commission charge on economically unviable trades and making these trades viable.

Newberry also teaches the feature of allowing customers to purchase economically unviable trade, such as a fractional shares (see page 1, “DRIPs offer the key advantage of molding an investment plan to an investor's own financial means and goals. He notes that DRIPs allow individuals to buy either full or fractional shares").

Pender also teaches combining economically unviable order for an investment (see page 2, "For small investors who still want to pick their own stocks, Merrill Lynch offers a "share builder account" that lets clients buy shares or fractional shares in increments as small as $25. 'We pool all money in share builder accounts and buy stocks the next morning,' said Merrill Lynch spokesman Jim Lynch; the examiner notes Merrill Lynch is a stock brokerage firm, and thus the prior art supports the argument that broker and brokerage firm can aggregate economically unviable trades).

It would have been obvious to one of ordinary skill in the art at the time of invention to modify the reference to include combining at least one economically unviable order for an investment for the benefit of molding an investment plan to an investor's own financial means and goals.

As per claim 3, Champion teaches a method for creating a plurality of separate investment accounts while managing the plurality of separate investment accounts as a single investment portfolio (see column 3, line 30-40), comprising the steps of:

establishing a separate file for each of the plurality of separate investment accounts (see column 3, line 30-34, and column 4, line 6-10);

establishing an aggregate portfolio of investments from the first customer and from a plurality of other customers of the sponsoring organization, wherein said aggregating includes combining orders for investments from the customer and the plurality of other customers into a single order for each investment (see column 5, line 47-57).

analyzing the plurality of separate investment accounts as if the plurality of separate investment accounts were a single investment portfolio, the analysis including at least one of: a risk level analysis (see column 4, line 46-51), a diversification analysis (see Fig 1), a concentration analysis and a sector exposure analysis (see column 3, lin3 46-47) for the single portfolio.

Examiner notes however, Champion does not teach aggregating including combining at least one economically unviable order for an investment.

Perham teaches establishing an aggregate portfolio of investments from the first customer and from a plurality of other customers of the sponsoring organization, wherein said aggregating includes combining orders for investments from the customer and the plurality of other customers into a single order for each investment, including combining at least one economically unviable order for an investment (It is evident in the Perham reference that the broker has been combining all the orders into one order for execution over the network (i.e. Exchanges) for each stock in the 1950s. Perham discloses "It (brokerage firm) then combines all the orders for that same stock and sends them to one broker for execution on the Exchange floor, as a round lot as possible; if not, as an odd lot. The ultimate aim is, combining the mites of investors from here and there, to give each of them the benefit of the lower commission charge

on round lots." It seems that Perham also anticipates the idea of combining economically unviable order for an investment. The prior art anticipates the idea of combining fractional shares, or economically unviable order, into an viable order by stating, "The fundamental idea is to boost trading volume, to the benefit of both member firms and the Exchange itself, by allowing a potential investor of small means to begin buying stock before he has accumulated, say, the entire $155 needed for one share of American Telephone & Telegraph. This would be done by pooling payments made periodically by several small investors". Given more than four decades of development, it should be apparent that the present claim feature would have been well known at the time of invention).

Therefore, it would have been obvious to one of ordinary skill in the art at the time of invention to modify the reference to include establishing an aggregate portfolio of investments from the first customer and from a plurality of other customers of the sponsoring organization for the benefit of lowering commission charge on economically unviable trades and making these trades viable.

Newberry also teaches the feature of allowing customers to purchase economically unviable trade, such as a fractional shares (see page 1, "DRIPs offer the key advantage of molding an investment plan to an investor's own financial means and goals. He notes that DRIPs allow individuals to buy either full or fractional shares").

Pender also teaches combining economically unviable order for an investment (see page 2, "For small investors who still want to pick their own stocks, Merrill Lynch offers a "share builder account" that lets clients buy shares or fractional shares in increments as small as $25. 'We pool all money in share builder accounts and buy stocks the next morning,' said Merrill Lynch spokesman Jim Lynch; the examiner notes Merrill Lynch is a stock brokerage firm, and thus the prior art supports the argument that broker and brokerage firm can aggregate economically unviable trades).

It would have been obvious to one of ordinary skill in the art at the time of invention to modify the reference to include <u>combining at least one economically unviable order for an investment</u> for the benefit of molding an investment plan to an investor's own financial means and goals.

As per claim 4, Champion teaches a method for managing an investment account of a plurality of customers associated with a sponsoring organization (see column 3, line 8-12, and line 30-34), comprising the steps of:

establishing a plurality of restrictions on the investment activity of the plurality of customers associated with the sponsoring organization (see column 4, line 6-21, and line 31-46);

interacting with a first customer over a computer network (see Fig 2, "modem" and "computer" suggest that customers can be reached over a computer network) to identify a portfolio of investments that satisfy the plurality of defined restrictions while meeting customer defined investment needs of the first customer (see column 4, line 6-

21, and line 31-46, also see column 5, line 40-52);

establishing an aggregate portfolio of investments from the first customer and from a plurality of other customers of the sponsoring organization, wherein said aggregating includes combining orders for investments from the customer and the plurality of other customers into a single order for each investment (see column 5, line 47-57).

transmitting a plurality of trade requests over a computer network identifying a plurality of investments in the aggregate portfolio (see column 5, line-8-15, and line 47-57).

Examiner notes however, Champion does not teach aggregating including combining at least one economically unviable order for an investment.

Perham teaches establishing an aggregate portfolio of investments from the first customer and from a plurality of other customers of the sponsoring organization, wherein said aggregating includes combining orders for investments from the customer and the plurality of other customers into a single order for each investment, including combining at least one economically unviable order for an investment (It is evident in the Perham reference that the broker has been combining all the orders into one order for execution over the network (i.e. Exchanges) for each stock in the 1950s. Perham discloses “It (brokerage firm) then combines all the orders for that same stock and sends them to one broker for execution on the Exchange floor, as a round lot as possible; if not, as an odd lot. The ultimate aim is, combining the mites of investors from here and there, to give each of them the benefit of the lower commission charge on round lots.” It seems that Perham also anticipates the idea of combining economically unviable order for an investment. The prior art anticipates the idea of combining fractional shares, or economically unviable order, into an viable order by stating, "The fundamental idea is to boost trading volume, to the benefit of both member firms and the Exchange itself, by allowing a potential investor of small means to begin buying stock before he has accumulated, say, the entire $155 needed for one share of American Telephone & Telegraph. This would be done by pooling payments made periodically by several small investors”. Given more than four decades of development, it should be apparent that the present claim feature would have been well known at the time of invention).

Therefore, it would have been obvious to one of ordinary skill in the art at the time of invention to modify the reference to include establishing an aggregate portfolio of investments from the first customer and from a plurality of other customers of the sponsoring organization for the benefit of lowering commission charge on economically unviable trades and making these trades viable.

Newberry also teaches the feature of allowing customers to purchase economically unviable trade, such as a fractional shares (see page 1, “DRIPs offer the

key advantage of molding an investment plan to an investor's own financial means and goals. He notes that DRIPs allow individuals to buy either full or fractional shares").

Pender also teaches combining economically unviable order for an investment (see page 2, "For small investors who still want to pick their own stocks, Merrill Lynch offers a "share builder account" that lets clients buy shares or fractional shares in increments as small as $25. 'We pool all money in share builder accounts and buy stocks the next morning,' said Merrill Lynch spokesman Jim Lynch; the examiner notes Merrill Lynch is a stock brokerage firm, and thus the prior art supports the argument that broker and brokerage firm can aggregate economically unviable trades).

It would have been obvious to one of ordinary skill in the art at the time of invention to modify the reference to include combining at least one economically unviable order for an investment for the benefit of molding an investment plan to an investor's own financial means and goals.

As per claim 5, Champion teaches a method for creating a plurality of separate investment accounts (see column 3, line 30-34, and column 4, line 6-10) while managing the plurality of separate investment accounts as a single portfolio (see column 4, line 46-51, aggregating a total level of risk for all customer accounts is managing the plurality of separate investment accounts as a single portfolio), comprising the steps of:

calculating a risk/reward analysis for each of the plurality of separate investment accounts (see column 3, line 30-40);

establishing an aggregate portfolio of investments from the first customer and from a plurality of other customers of the sponsoring organization, wherein said aggregating includes combining orders for investments from the customer and the plurality of other customers into a single order for each investment (see column 5, line 47-57).

receiving, for each of the plurality of separate investment accounts, from a customer an indication of the customer's preferences regarding said risk/reward analysis (see column 5, line 47-61, the invention in prior art first gives user recommendation of buying/selling asset, then it receives a confirmation of user's trade execution; the confirmation of trade execution is an indication of the customer's preference regarding the risk/reward analysis).

Examiner notes however, Champion does not teach aggregating including combining at least one economically unviable order for an investment.

Perham teaches establishing an aggregate portfolio of investments from the first customer and from a plurality of other customers of the sponsoring organization, wherein said aggregating includes combining orders for investments from the customer and the plurality of other customers into a single order for each investment, including combining at least one economically unviable order for an investment (It is evident in

the Perham reference that the broker has been combining all the orders into one order for execution over the network (i.e. Exchanges) for each stock in the 1950s. Perham discloses "It (brokerage firm) then combines all the orders for that same stock and sends them to one broker for execution on the Exchange floor, as a round lot as possible; if not, as an odd lot. The ultimate aim is, combining the mites of investors from here and there, to give each of them the benefit of the lower commission charge on round lots." It seems that Perham also anticipates the idea of combining economically unviable order for an investment. The prior art anticipates the idea of combining fractional shares, or economically unviable order, into an viable order by stating, "The fundamental idea is to boost trading volume, to the benefit of both member firms and the Exchange itself, by allowing a potential investor of small means to begin buying stock before he has accumulated, say, the entire $155 needed for one share of American Telephone & Telegraph. This would be done by pooling payments made periodically by several small investors". Given more than four decades of development, it should be apparent that the present claim feature would have been well known at the time of invention).

Therefore, it would have been obvious to one of ordinary skill in the art at the time of invention to modify the reference to include establishing an aggregate portfolio of investments from the first customer and from a plurality of other customers of the sponsoring organization for the benefit of lowering commission charge on economically unviable trades and making these trades viable.

Newberry also teaches the feature of allowing customers to purchase economically unviable trade, such as a fractional shares (see page 1, "DRIPs offer the key advantage of molding an investment plan to an investor's own financial means and goals. He notes that DRIPs allow individuals to buy either full or fractional shares").

Pender also teaches combining economically unviable order for an investment (see page 2, "For small investors who still want to pick their own stocks, Merrill Lynch offers a "share builder account" that lets clients buy shares or fractional shares in increments as small as $25. 'We pool all money in share builder accounts and buy stocks the next morning,' said Merrill Lynch spokesman Jim Lynch; the examiner notes Merrill Lynch is a stock brokerage firm, and thus the prior art supports the argument that broker and brokerage firm can aggregate economically unviable trades).

It would have been obvious to one of ordinary skill in the art at the time of invention to modify the reference to include <u>combining at least one economically unviable order for an investment</u> for the benefit of molding an investment plan to an investor's own financial means and goals.

As per claim 6, 10, 14, 18, Champion does not teach wherein said economically unviable trading order includes at least one trading order for a single share of one investment.

Newberry teaches wherein said economically unviable trading order includes at least one trading order for a single share of one investment (see page 1, "DRIPs offer

the key advantage of molding an investment plan to an investor's own financial means and goals. He notes that DRIPs allow individuals to buy either full or fractional shares").

It would have been obvious to one of ordinary skill in the art at the time of invention to modify the reference to include wherein said economically unviable trading order includes at least one trading order for a single share of one investment for the benefit of molding an investment plan to an investor's own financial means and goals, as taught in Newberry (Jon Newberry, Bye bye broker, ABA Journal, Mar 1998, Vol. 84 pg. 90, 1pgs).

As per claim 7, 11, 15, 19, Champion does not teach wherein said economically unviable trading order includes at least one trading order for a fractional share of one investment.

Newberry teaches allowing individuals to buy either full or fractional shares (see page 1). Therefore, Newberry teaches wherein said economically unviable trading order includes at least one trading order for a fractional share of one investment.

Pender also teaches combining economically unviable order for an investment (see page 2, “For small investors who still want to pick their own stocks, Merrill Lynch offers a “share builder account” that lets clients buy shares or fractional shares in increments as small as $25. ‘We pool all money in share builder accounts and buy stocks the next morning,’ said Merrill Lynch spokesman Jim Lynch).

It would have been obvious to one of ordinary skill in the art at the time of invention to modify the reference to include wherein said economically unviable trading order includes at least one trading order for a fractional share of one investment for the benefit of molding an investment plan to an investor's own financial means and goals.

Claim 9, 13, 17 are rejected under 35 U.S.C. 103(a) as being unpatentable over US Patent No.: 5,126,936 to Champion et al., in view of Perham (John C Perham, Stock Exchange Explains Its Pay-As-You-Go Plan, Barron's national Business and Financial Weekly, Aug 24, 1953) and Dibben (Margaret Dibben, Just let your fingers d’ the dealing Cut-price services mean that calling your broker is no longer the preserve of the idle rich, The Guardian, Oct 23, 1994), and further in view of Newberry (Jon Newberry, Bye bye broker, ABA Journal, Mar 1998, Vol. 84 pg. 90, 1pgs) and Pender (Kathleen Pender, Stock Trading, San Francisco Chronicle, Jun 23, 1986).

As per claim 9, 13, 17, Champion does not teach wherein said economically unviable trading order includes at least one trading order for an odd lot of shares of one investment.

Wall Street Journal teaches accepting smaller private odd-lot orders (see page 1, 9th paragraph under Full Text). Therefore, Wall Street Journal teaches wherein said economically unviable trading order includes at least one trading order for an odd lot of shares of one investment.

It would have been obvious to one of ordinary skill in the art at the time of invention to modify the reference to include wherein said economically unviable trading order includes at least one trading order for an odd lot of shares of one investment for the benefit of molding an investment plan to an investor's own financial means and goals.

Allowable Subject Matter

As per claim 8, 12, 16, 20, examiner notes however Champion does not teach performing single share trade or fractional share trade, and thus fails to teach maintaining in a separate account up to one single share of each investment in which there is at least one trading order for a fractional share of said each investment. No prior art is found to disclose this limitation.

Conclusion

Any inquiry concerning this communication or earlier communications from the examiner should be directed to HAO FU whose telephone number is (571)270-3441. The examiner can normally be reached on Mon-Fri/Mon-Thurs 7:30am-5:00pm.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Tom Dixon can be reached on (571) 272-6803. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see http://pair-direct.uspto.gov. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

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